



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0296	Title:	Fee on fireworks transactions to fund fire marshall's office
Primary Sponsor:	Hamilton, Robin	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund		\$0	\$0	\$0
State Special Revenue	\$30,660	\$40,880	\$40,880	\$40,880
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$30,660	\$40,880	\$40,880	\$40,880
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of Fiscal Impact:

This legislation would place a 1% fee on all firework sales. The Fire Marshall Program would spend any revenues collected to fund the program.

FISCAL ANALYSIS

Assumptions:

1. This fiscal note assumes that the total value of fireworks sold in Montana is \$4,088,000 annually. This estimate is based on the 2002 Economic Census data published by the U.S. Census Bureau, which reports that \$138,995,000 fireworks were sold in the U.S. in 2002. Prorating this figure for Montana results in approximately \$4,088,000 of firework sales annually.
2. The proposed legislation would assess a fee of 1% on firework sales and deposit the collections into a state special revenue account. The amount of the fee collected would be equal to \$40,880 annually (\$4,088,000* 1%).

3. Since the bill includes no specific effective date, the effective date is assumed to be Oct 1, 2007. Therefore, FY 2008 would include three quarters of collections
4. The Department of Justice – Fire Marshall Program would spend 100% of all revenues collected to fund program.

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$30,660	\$40,880	\$40,880	\$40,880
TOTAL Expenditures	<u>\$30,660</u>	<u>\$40,880</u>	<u>\$40,880</u>	<u>\$40,880</u>
<u>Funding of Expenditures:</u>				
State Special Revenue (02)	\$30,660	\$40,880	\$40,880	\$40,880
TOTAL Funding of Exp.	<u>\$30,660</u>	<u>\$40,880</u>	<u>\$40,880</u>	<u>\$40,880</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$30,660	\$40,880	\$40,880	\$40,880
TOTAL Revenues	<u>\$30,660</u>	<u>\$40,880</u>	<u>\$40,880</u>	<u>\$40,880</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
State Special Revenue (02)	\$0	\$0	\$0	\$0

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date